IN THE CLAIMS:

Please amend Claims 5, 9-12, 15 and 18, as follows.

1. (Previously Presented) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

- a photosensor; and
- a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.
- 2. (Original) An encoder according to Claim 1, wherein said annular grating comprises a reflection diffraction grating.
- 3. (Original) An encoder according to Claim 1, wherein said annular grating is a transmission diffraction grating, wherein diffracted light beams transmitted through and diffracted by said transmission diffraction grating are reflected by a reflecting optical element, and wherein twice diffracted light beams rediffracted by said transmission diffraction grating are projected onto said diffraction grating.
- 4. (Original) An encoder according to Claim 1, wherein said annular grating is local.

5. (Currently Amended) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

a condenser for condensing configured so that the diffracted light beams generated by said diffraction grating are condensed onto substantially one point on said annular grating;

a photosensor; and

a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.

- 6. (Original) An encoder according to Claim 5, wherein said annular grating comprises a reflection diffraction grating.
- 7. (Original) An encoder according to Claim 5, wherein said annular grating is local.
- 8. (Original) An encoder according to Claim 5, wherein said condenser comprises a diffraction lens.

9. (Currently Amended) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

a condenser for making configured so that the diffracted light beams generated by said diffraction grating are in a state of tending to be condensed on said annular grating;

a photosensor; and

a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.

- 10. (Currently Amended) An encoder according to Claim 8 9, wherein said annular grating comprises a reflection diffraction grating.
- 11. (Currently Amended) An encoder according to Claim 8 9, wherein said annular grating is local.
 - 12. (Currently Amended) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

a condenser for condensing the diffracted light beams generated by said diffraction grating configured so that a beam projected on the diffraction grating is condensed onto substantially one point on said diffraction grating;

a photosensor; and

a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.

- 13. (Original) An encoder according to Claim 12, wherein said annular grating comprises a reflection diffraction grating.
- 14. (Original) An encoder according to Claim 12, wherein said annular grating is local.
 - 15. (Currently Amended) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

a condenser <u>configured so that</u> for projecting the diffracted light beams generated by said diffraction grating <u>are projected</u> in a state of tending to be condensed on

said annular grating for causing the diffracted light beams to be diffracted and deflected, and for condensing the diffracted light beams are condensed onto substantially one point on said diffraction grating;

a photosensor; and

a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.

- 16. (Original) An encoder according to Claim 15, wherein said annular grating comprises a reflection diffraction grating.
- 17. (Original) An encoder according to Claim 15, wherein said annular grating is local.
 - 18. (Currently Amended) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating;

a linear condenser for linearly condensing the coherent light beam from said light-emitting device illuminating optical system onto said diffraction grating;

a photosensor; and

a beam splitter for guiding a light beam, obtained by interfering the rediffracted light beams with each other, to said photosensor.

- 19. (Original) An encoder according to Claim 18, wherein said annular grating comprises a reflection diffraction grating.
- 20. (Original) An encoder according to Claim 18, wherein said annular grating is a transmission diffraction rating, wherein diffracted light beams transmitted through and diffracted by said transmission diffraction grating are reflected by a reflecting optical element, and wherein twice diffracted light beams rediffracted by said transmission diffraction grating are projected onto said diffraction grating.
- 21. (Original) An encoder according to Claim 18, wherein said annular grating is local.
- 22. (Original) An encoder according to Claim 18, wherein said linear condensing element comprises a cylindrical lens.
- 23. (Original) An encoder according to Claim 18, wherein said linear condensing element comprises a diffraction lens.
 - 24. (Previously Presented) A grating interference encoder comprising: an illuminating optical system;

a scale with a diffraction grating for generating two diffracted light beams having different orders by being irradiated by a coherent light beam from said illuminating optical system, said scale being movable relative to said illuminating optical system;

an annular grating for deflecting the two diffracted light beams having the different orders generated from said diffraction grating to cause the deflected light beams to be reprojected onto said diffraction grating; and

a photosensor for receiving a light beam obtained by interfering the rediffracted light beams with each other.